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JRS/ABC/JAM: USAO 2015R00384

IN THE UNITED STATES DISTRICT COURT
FOR THE DISTRICT OF MARYLAND

UNITED STATES OF AMERICA

v.

SANDRA DENISE CURL,
a/k/a "Sandra Curl-Jacobs El,"
a/k/a "Sandra Curl Jacobs,"
a/k/a "Minister Sandra El," and
PERCY LEROY JACOBS,
a/k/a "Percy El Jacobs,"
a/k/a "Percy Jacobs El,"
a/k/a "Minister Percy El Jacobs,"

Defendants

CRIMINAL NO. *GJH 19cr444*

(Conspiracy to Defraud the United
States, 18 U.S.C. § 371; Aiding and
Assisting the Preparation of a False
Return, 26 U.S.C. § 7206(2); Theft of
Government Property, 18 U.S.C.
§ 641; Aiding and Abetting, 18 U.S.C.
§ 2; Forfeiture, 18 U.S.C.
§ 981(a)(1)(C), 21 U.S.C. § 853,
28 U.S.C. § 2461(c))

INDICTMENT

COUNT ONE

(Conspiracy to Defraud the United States)

The Grand Jury for the District of Maryland charges that:

At all times relevant to this Indictment:

Introduction and Background

1. The Internal Revenue Service (hereinafter "IRS"), an agency within the U.S. Department of Treasury, was responsible for administering and enforcing federal revenue laws and regulations regarding the ascertainment, computation, assessment, and collection of taxes owed to the United States.
2. IRS Form 1040, U.S. Individual Income Tax Return (hereinafter "Form 1040") was a form used for personal federal income tax returns filed with the IRS.
3. IRS Form 1041, U.S. Income Tax Return for Estates and Trusts (hereinafter

“Form 1041”) was used by the fiduciary of a domestic decedent’s estate, trust, or bankruptcy estate to report to the IRS income, deductions, gains, and losses of the estate or trust, the income that is either accumulated or held for future distribution or distributed currently to the beneficiaries, any income tax liability of the state or trust, and employment taxes on wages paid to household employees.

4. Every trust that was required to file a Form 1041 with the IRS was first required to obtain an Employer Identification Number (“EIN”), a unique nine-digit number assigned by the IRS to business entities for the purposes of identification. A trust could obtain an EIN online, by telephone, or by mailing or faxing to the IRS a Form SS-4, Application for Employer Identification Number.

5. Defendants **SANDRA DENISE CURL, a/k/a “Sandra Curl-Jacobs El,” a/k/a “Sandra Curl Jacobs,” a/k/a “Minister Sandra El” (“CURL”)** and **PERCY LEROY JACOBS, a/k/a “Percy El Jacobs,” a/k/a “Percy Jacobs El,” a/k/a “Minister Percy El Jacobs” (“JACOBS”)** were residents of Maryland.

6. Co-Conspirator 1 resided in Rocky Mount, North Carolina, where Co-Conspirator 1 owned and operated a business that provided various financial services, including tax return preparation services.

7. Trinytee SMP Day Spa Trust (hereinafter “Trinytee SMP Day Spa Trust” or “Trinytee SMP”) was a purported trust of which **CURL** was the purported fiduciary, and for which **CURL** opened a bank account ending in -3968 for which she was the sole signatory (hereinafter “the Trinytee SMP Bank Account”).

8. Women’s Health Relations Trust (hereinafter “Women’s Health Relations Trust” or “Women’s Health”) was a purported trust of which **CURL** was the purported fiduciary, and

for which **CURL** opened a bank account ending in -9707 for which she was the sole signatory (hereinafter “the Women’s Health Bank Account”).

9. Domenion Construction Trust (hereinafter “Domenion Construction Trust” or “Domenion Construction”) was a purported trust of which **JACOBS** was the purported fiduciary.

10. Playhouse Gallery Fun Trust (hereinafter “Playhouse Gallery Fun Trust” or “Playhouse Gallery”) was a purported trust of which **JACOBS** was the purported fiduciary, and for which **JACOBS** opened a bank account ending in -0680 for which he was the sole signatory (hereinafter “the Playhouse Gallery Bank Account”).

11. Land and Sea Global Enterprises Trust (hereinafter “Land and Sea Global Enterprises Trust” or “Land and Sea”) was a purported trust of which **JACOBS** was the purported fiduciary.

The Conspiracy and Its Objects

12. From at least in or about February 2013 through at least in or about 2016, in the District of Maryland and elsewhere, the defendants,

**SANDRA DENISE CURL,
a/k/a “Sandra Curl-Jacobs El,”
a/k/a “Sandra Curl Jacobs,”
a/k/a “Minister Sandra El,” and
PERCY LEROY JACOBS,
a/k/a “Percy El Jacobs,”
a/k/a “Percy Jacobs El,”
a/k/a “Minister Percy El Jacobs,”**

did knowingly conspire, confederate, and agree with each other and with other persons known and unknown to the Grand Jury, including Co-Conspirator 1, to defraud the United States, to wit, the defendants conspired for the purpose of impeding, impairing, obstructing, and defeating the lawful government functions of the IRS in the ascertainment, computation, assessment, and

collection of taxes.

Manner and Means of the Conspiracy

13. The conspiracy was carried out through the following manner and means, among others:

- a. **CURL, JACOBS**, and their co-conspirators obtained EINs for the purported trusts of which they were the purported fiduciaries.
- b. **CURL, JACOBS**, and their co-conspirators (i) prepared, and aided and assisted Co-Conspirator 1 and others in the preparation of, and (ii) filed, and caused Co-Conspirator 1 and others to file, Forms 1041 on behalf of their purported trusts reporting false withholdings and requesting tax refunds to which they were not entitled.
- c. **CURL, JACOBS**, and their co-conspirators aided and assisted in the preparation of, and filed and caused to be filed, their own Forms 1040, reporting false withholdings and requesting refunds to which they were not entitled.
- d. **CURL, JACOBS**, and their co-conspirators deposited and caused to be deposited the refunds they obtained, and then disbursed and caused to be disbursed these fraudulently obtained refunds, including to each other and entities associated with each other.
- e. **CURL, JACOBS**, and their co-conspirators prepared, and caused to be prepared, other tax-related documents that purported to “support” their false Forms 1040 and Forms 1041.
- f. **CURL, JACOBS**, and their co-conspirators prepared, and caused to be prepared, documents to obstruct the IRS in collection of taxes and penalties.

g. **CURL, JACOBS**, and their co-conspirators performed acts and made statements to hide and conceal, and cause to be hidden and concealed, the purpose of the conspiracy and the acts committed in furtherance thereof.

Overt Acts

14. In furtherance of the conspiracy and to achieve the objects thereof, the following overt acts, among others, were committed in the District of Maryland and elsewhere:

Obtaining EINs for the Purported Trusts and Related Communication

- a. On or about February 14, 2013, **CURL** and **JACOBS** applied for, and caused to be applied for, an EIN in the name of Domenion Construction.
- b. On or about February 14, 2013, **CURL** emailed **JACOBS** a copy of the IRS letter assigning an EIN to Domenion Construction.
- c. On or about February 21, 2013, **CURL** and **JACOBS** applied for, and caused to be applied for, an EIN in the name of Trinytee SMP.
- d. In or about July 2013, **CURL** and **JACOBS** applied for, and caused to be applied for, an EIN in the name of Women's Health.
- e. In or about June 2014, **CURL** and **JACOBS** applied for, and caused to be applied for, an EIN in the name of Playhouse Gallery.
- f. In or about November 2014, **CURL** and **JACOBS** applied for, and caused to be applied for, an EIN in the name of Land and Sea.

Preparing and Submitting False Forms 1041 and Related Communications

- g. On or about June 12, 2013, **CURL** spoke via telephone with Co-Conspirator 1 and then emailed Co-Conspirator 1 questions indicating that **CURL** wanted to start working with Co-Conspirator 1 to prepare and submit false Forms 1041 to the IRS.

h. On or about June 12, 2013, **CURL** forwarded the response **CURL** received from Co-Conspirator 1 to **JACOBS**, in order to keep **JACOBS** informed that she had contacted and heard back from Co-Conspirator 1 regarding starting the fraudulent Form 1041 process.

i. On or about June 12, 2013, **JACOBS** emailed Co-Conspirator 1 indicating that **JACOBS** wanted to start working with Co-Conspirator 1 to prepare and submit false Forms 1041 to the IRS.

j. On or about June 12, 2013, **JACOBS** forwarded the response **JACOBS** received from Co-Conspirator 1 to **CURL**, in order to keep **CURL** informed that **JACOBS** had contacted and heard back from Co-Conspirator 1 regarding starting the fraudulent Form 1041 process.

k. On or about October 4, 2013, Co-Conspirator 1 electronically filed and caused to be filed a false and fraudulent Form 1041 for Trinytee SMP for tax year 2012 (“Trinytee SMP’s 2012 Form 1041”), which reported “MINISTER SANDRA EL” as the fiduciary. This return falsely claimed that \$500,136 in federal income tax had been withheld, and fraudulently requested a refund in the same amount.

l. On or about July 15, 2014, Co-Conspirator 1 electronically filed and caused to be filed a false and fraudulent Form 1041 for Domenion Construction for tax year 2013 (“Domenion Construction’s 2013 Form 1041”), which reported “Percy Jacobs” as the fiduciary. This return falsely claimed that \$525,948 in federal income tax had been withheld, and fraudulently requested a refund in the same amount.

m. On or about August 25, 2014, in response to an August 19, 2014, email from **CURL** regarding an August 1, 2014, IRS warning letter for Trinytee SMP’s 2012 Form

1041, Co-Conspirator 1 emailed **CURL** a link to the general IRS website for a Form 1041 and instructed **CURL** to “[f]ill this form out using all 0’s in response to the frivolous filing.”

n. On or about November 25, 2014, **CURL** emailed Individual A a copy of an IRS notice about a \$5,000 penalty for Trinytee SMP’s 2012 Form 1041 and told Individual A this matter had to be “taken care of” to avoid further penalties and interest.

o. On or about December 24, 2014, after receiving a December 18, 2014, IRS warning letter regarding Domenion Construction’s 2013 Form 1041, **CURL** asked Co-Conspirator 1 to “re-submit 1041 process for dominion construction,” and wrote, “I have already re-send the 1041 for to IRS. To Zero it out. Call me.” **CURL** also attached to this email a copy of the zeroed-out Form 1041 for Domenion Construction, signed “Minister Percy Jacobs El.”

p. On or about April 19, 2015, **CURL** and **JACOBS** prepared and electronically filed, and caused to be prepared and electronically filed, a false and fraudulent Form 1041 for Playhouse Gallery for tax year 2014, which reported “PERCY EL JACOBS TTEE” as the fiduciary. This return falsely claimed that \$275,475 in federal income tax had been withheld, and fraudulently requested a refund of \$267,482.

q. On or about January 29, 2016, **CURL** and **JACOBS** prepared and electronically filed, and caused to be prepared and electronically filed, a false and fraudulent Form 1041 for Playhouse Gallery for tax year 2015, which reported “PERCY EL JACOBS TTEE” as the fiduciary. This return falsely claimed that \$303,022 in federal income tax had been withheld, and fraudulently requested a refund of \$277,802.

r. On or about March 17, 2016, **CURL** and **JACOBS** caused to be electronically filed a false and fraudulent Form 1041 for Women’s Health for tax year 2015,

which reported “SANDRA EL CEO” as the fiduciary. This return falsely claimed that \$291,601 in federal income tax had been withheld, and fraudulently requested a refund of \$250,579.

s. On or about April 28, 2016, **CURL** and **JACOBS** caused to be electronically filed a false and fraudulent Form 1041 for Land and Sea for tax year 2015, which reported “PERCY EL JACOBS CEO” as the fiduciary. This return falsely claimed that \$267,266 in federal income tax had been withheld, and fraudulently requested a refund of \$265,573.

Submitting False Forms 1040

t. On or about January 27, 2016, **CURL** and **JACOBS** prepared and electronically filed, and caused to be prepared and electronically filed, a false and fraudulent Form 1040 for tax year 2015 in the name of “Sandra C. Jacobs.” This return falsely claimed that \$30,507 in federal income tax had been withheld, and fraudulently requested a refund of \$6,687.

u. On or about January 28, 2016, **CURL** and **JACOBS** prepared and electronically filed, and caused to be prepared and electronically filed, a false and fraudulent Form 1040 for tax year 2015 for **JACOBS**. This return falsely claimed that \$30,563 in federal income tax had been withheld, and fraudulently requested a refund of \$6,682.

v. On or about March 24, 2016, **CURL** and **JACOBS** prepared and filed, and caused to be prepared and filed, a false and fraudulent Form 1040 for tax year 2014 for **JACOBS**. This return falsely claimed that \$30,640 in federal income tax had been withheld, and fraudulently requested a refund of \$14,440.

Depositing and Disbursing Fraudulent Refunds

w. On or about February 26, 2014, **CURL** endorsed a U.S. Department of Treasury refund check for \$505,383.73 issued to Trinytee SMP and deposited this check into the Trinytee SMP Bank Account.

x. From in or about February 2014 through in or about July 2014, **CURL** transferred, and caused to be transferred, funds from the Trinytee SMP Bank Account to **JACOBS**, and entities associated with **JACOBS**, as follows:

- i. On or about February 27, 2014, via a check in the amount of \$7,600 to payee **JACOBS**;
- ii. On or about February 28, 2014, via a check in the amount of \$6,000 to payee Domenion Construction Trust;
- iii. On or about March 5, 2014, via a cashier's check in the amount of \$100,000 to payee Domenion Construction;
- iv. On or about March 27, 2014, via a check in the amount of \$30,000 to payee Domenion Construction; and
- v. On or about July 25, 2014, via a cashier's check in the amount of \$46,000 to payee Domenion Construction.

y. On or about November 30, 2015, **CURL** and **JACOBS** deposited a U.S. Department of Treasury refund check for \$272,205.80 issued to Playhouse Gallery into the Playhouse Gallery Bank Account.

z. In or about December 2015, **JACOBS** transferred, and caused to be transferred, funds from the Playhouse Gallery Bank Account to **CURL** as follows:

- i. On or about December 2, 2015, via a check in the amount of \$500 to payee "Sandra Curl Jacobs El";
- ii. On or about December 7, 2015, via a check in the amount of \$500 to payee "Sandra Curl Jacobs El"; and
- iii. On or about December 9, 2015, via a check in the amount of

\$9,800 to payee "Sandra Curl Jacobs El."

aa. On or about April 15, 2016, **CURL** and **JACOBS** deposited a U.S. Department of Treasury refund check for \$250,579 issued to Women's Health into the Women's Health Bank Account.

bb. In or about April 2016, **CURL** transferred, and caused to be transferred, funds from the Women's Health Bank Account to **JACOBS**, and entities and persons associated with **JACOBS**, as follows:

- i. On or about April 18, 2016, via a check in the amount of \$50,000 to payee Playhouse Gallery LLC;
- ii. On or about April 18, 2016, via a check in the amount of \$20,000 to payee Playhouse Gallery Fun Trust; and
- iii. On or about April 19, 2016, via two checks, each in the amount of \$2,500, to payee Individual B, a family member of **JACOBS**.

Preparing Documents to Obstruct the Collection of Taxes and Penalties

cc. On or about June 15, 2015, after the IRS sent **JACOBS** a notice indicating that payment of \$30,068.61 was due for Playhouse Gallery Fun Trust, **JACOBS** mailed back a fake financial instrument in the amount of \$303,022, with payee "United States Treasury," stating in the memo section that the money order was to "settle outstanding liabilities identified by outline Res #[Social Security Number redacted]."

COUNTS TWO THROUGH SEVEN
(Aiding and Assisting the Preparation of a False Return (Forms 1041))

The Grand Jury for the District of Maryland further charges that:

Introduction

1. Paragraphs 1 through 11 and 13 through 14 of Count One are incorporated here.

The Charges

2. On or about the dates set forth below, in the District of Maryland and elsewhere, the defendant identified in the table below did willfully aid and assist in, and procure, counsel, and advise the preparation and presentation under, or in connection with any matters arising under, the internal revenue laws, Forms 1041 for the trusts and years listed below. The tax returns were false and fraudulent as to material matters, in that each reported a federal income tax withholding as set forth below, and each claimed the relevant trust was entitled to an income tax refund in the amount set forth below, whereas the defendants then and there well knew and believed that no federal income tax had been withheld for the relevant trust and the trust was not entitled to the claimed income tax refund.

Count	Defendant	Approximate Filing Date	Trust Name	Tax Year	False and Fraudulent Matters
2	SANDRA DENISE CURL	10/4/2013	Trinytee SMP	2012	Line 24(e) (Federal income tax withheld): \$500,136 Line 29 (Amount to be refunded): \$500,136
3	PERCY LEROY JACOBS	7/15/2014	Domenion Construction	2013	Line 24(e) (Federal income tax withheld): \$525,948 Line 29 (Amount to be refunded): \$525,948
4	PERCY LEROY JACOBS	4/19/2015	Playhouse Gallery	2014	Line 24(e) (Federal income tax withheld): \$275,475 Line 29 (Amount to be refunded): \$267,482
5	PERCY LEROY JACOBS	1/29/2016	Playhouse Gallery	2015	Line 24(e) (Federal income tax withheld): \$303,022 Line 29 (Amount to be refunded): \$277,802
6	SANDRA DENISE CURL	3/17/2016	Women's Health	2015	Line 24(e) (Federal income tax withheld): \$291,601 Line 29 (Amount to be refunded): \$250,579
7	PERCY LEROY JACOBS	4/28/2016	Land and Sea	2015	Line 24(e) (Federal income tax withheld): \$267,266 Line 29 (Amount to be refunded): \$265,573

26 U.S.C. § 7206(2)

COUNTS EIGHT THROUGH TEN
(Aiding and Assisting the Preparation of a False Return (Forms 1040))

The Grand Jury for the District of Maryland further charges that:

Introduction

1. Paragraphs 1 through 11 and 13 through 14 of Count One are incorporated here.

The Charges

2. On or about the dates listed below, in the District of Maryland and elsewhere, the defendant identified in the table below did willfully aid and assist in, and procure, counsel, and advise the preparation and presentation under, or in connection with any matters arising under, the internal revenue laws, of Forms 1040 for the years listed below. The tax returns were false and fraudulent as to material matters, in that each reported a federal income tax withholding as set forth below, and each claimed the relevant defendant was entitled to an income tax refund in the amount set forth below, whereas the defendants then and there well knew and believed that no federal income tax had been withheld and the relevant defendant was not entitled to the claimed income tax refund.

Count	Defendant	Approximate Filing Date	Tax Year	False and Fraudulent Matters
8	SANDRA DENISE CURL	1/27/2016	2015	Line 64: Federal income tax withheld (\$30,507) Line 76a: Amount to be refunded (\$6,687)
9	PERCY LEROY JACOBS	1/28/2016	2015	Line 64: Federal income tax withheld (\$30,563) Line 76a: Amount to be refunded (\$6,682)
10	PERCY LEROY JACOBS	3/24/16	2014	Line 64: Federal income tax withheld (\$30,640) Line 76a: Amount to be refunded (\$14,440)

26 U.S.C. § 7206(2)

COUNT ELEVEN
(Theft of Government Property)

The Grand Jury for the District of Maryland further charges that:

Introduction

1. Paragraphs 1 through 11 and 13 through 14 of Count One are incorporated here.

The Charge

2. On or about November 27, 2015, in the District of Maryland, the defendant,

**PERCY LEROY JACOBS,
a/k/a "Percy El Jacobs,"
a/k/a "Percy Jacobs El,"
a/k/a "Minister Percy El Jacobs,"**

did embezzle, steal, purloin, and knowingly convert to his use and the use of another, any money and thing of value of the United States and any department and agency thereof, with an aggregate value that exceeded \$1,000, namely, a United States Treasury income tax refund check in the approximate amount of \$272,205 to which he was not entitled.

18 U.S.C. § 641
18 U.S.C. § 2

COUNT TWELVE
(Theft of Government Property)

The Grand Jury for the District of Maryland further charges that:

Introduction

1. Paragraphs 1 through 11 and 13 through 14 of Count One are incorporated here.

The Charge

2. On or about April 15, 2016, in the District of Maryland, the defendant,

**SANDRA DENISE CURL,
a/k/a “Sandra Curl-Jacobs El,”
a/k/a “Sandra Curl Jacobs,”
a/k/a “Minister Sandra El,”**

did embezzle, steal, purloin, and knowingly convert to her use and the use of another, any money and thing of value of the United States and any department and agency thereof, with an aggregate value that exceeded \$1,000, namely, a United States Treasury income tax refund check in the approximate amount of \$250,579 to which she knew she was not entitled.

18 U.S.C. § 641
18 U.S.C. § 2

FORFEITURE ALLEGATION

The Grand Jury for the District of Maryland further finds that:

1. Pursuant to Fed. R. Crim. P. 32.2, notice is hereby given to the defendants that the United States will seek forfeiture as part of any sentence in accordance with 18 U.S.C. § 981(a)(1)(C), 21 U.S.C. § 853, and 28 U.S.C. § 2461(c), in the event of the defendants' conviction on Count 11 and Count 12 of this Indictment.
2. Upon conviction of the offenses set forth in Count 11 and Count 12 of this Indictment, the defendants,

**SANDRA DENISE CURL,
a/k/a "Sandra Curl-Jacobs El,"
a/k/a "Sandra Curl Jacobs,"
a/k/a "Minister Sandra El," and
PERCY LEROY JACOBS,
a/k/a "Percy El Jacobs,"
a/k/a "Percy Jacobs El,"
a/k/a "Minister Percy El Jacobs,"**

shall forfeit to the United States, pursuant to 18 U.S.C. § 981(a)(1)(C) and 28 U.S.C. § 2461(c), any property, real or personal, which constitutes or is derived from proceeds traceable to such violations, including, but not limited to, at least \$522,784.80 in United States currency.

Substitute Assets

3. If, as a result of any act or omission of the defendants, any such property subject to forfeiture:
 - a. cannot be located upon the exercise of due diligence;
 - b. has been transferred or sold to, or deposited with, a third person;
 - c. has been placed beyond the jurisdiction of the Court;
 - d. has been substantially diminished in value; or
 - e. has been commingled with other property which cannot be divided

without difficulty,

it is the intent of the United States, pursuant to 21 U.S.C. § 853(p), as incorporated by 28 U.S.C. § 2461(c), to seek forfeiture of any other property of said defendants up to the value of the forfeitable property.

18 U.S.C. § 981(a)(1)(C)
21 U.S.C. § 853
28 U.S.C. § 2461(c)

Robert K. Hur / MS
Robert K. Hur
United States Attorney

A TRUE BILL

SIGNATURE REDACTED

Foreperson

Date: September 25, 2019